

PROGRAMS

2002-03 Actual	2003-04 Budget	2004-05 Recommended	2005-06 Projected
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Administration/Customer Service

Water Resources Administration directs, plans and coordinates all water & sewer operations including treatment plants, wastewater collection and water distribution, meter reading and billing and reservoir operations; serves as liaison to State and Federal agencies; plans for long range water & sewer facility needs; coordinates water and sewer efforts to mesh with efforts of other City Departments to meet the long range goals of the City.

<i>Appropriation</i>	14,999,955	13,383,661	14,821,484	16,896,258
<i>Full Time Equivalent Positions</i>	51.25	52.75	56.75	56.75

Water Supply

The Water Supply Division maintains three surface reservoirs, treats raw water, distributes finished water, maintains all water tanks and water pump stations. The division also monitors system demand and sets daily flow rates accordingly. In addition, the division also performs water quality sampling and testing to ensure compliance with all State and Federal standards.

<i>Appropriation</i>	8,202,690	9,818,326	10,301,860	10,587,114
<i>Full Time Equivalent Positions</i>	42.50	42.50	44.50	44.50

Water Reclamation

The Water Reclamation Division accepts all liquid waste generated by the residential and commercial community, treats that waste and discharges it in a manner that is consistent with the requirements of environmental law.

<i>Appropriation</i>	10,029,898	12,393,170	13,382,332	13,395,091
<i>Full Time Equivalent Positions</i>	86	86	90	90

Distribution and Collection Operation and Maintenance

This division constructs, maintains and repairs the water & sewer pipes, sewage pump stations and metering system, and installs all new customer connections.

<i>Appropriation</i>	7,736,018	8,280,438	9,088,079	9,448,712
<i>Full Time Equivalent Positions</i>	122.00	122.00	126.75	126.75

Debt Service

Funding used to make debt principal and interest payments is derived from operating revenues.

<i>Appropriation</i>	10,227,944	13,162,075	14,705,152	17,055,675
<i>Full Time Equivalent Positions</i>	0	0	0	0

Departmental Goals & Objectives

- Maintain water and wastewater rates competitive with other major North Carolina cities.
- Renegotiate water reclamation plant permits to resolve cyanide and mercury discharge issues.
- Complete various sewage pump stations to allow continued growth in areas targeted by City Comprehensive plan.
- Maintain compliance with State and Federal operating permits for the water and wastewater systems.



PERFORMANCE MEASURES

	2002-03 Actual	2003-04 Budget	2004-05 Projected	2005-06 Projected
<u>WORKLOAD MEASURES</u>				
• Number of water customer accounts	91,300	93,800	96,300	98,800
• Number of Significant Industrial Users (SIU)	34	35	35	36
• Number of meters read annually	498,000	503,000	506,000	509,000
• Average water MGD treated daily	28.5	31.0	31.5	32.0
• Average wastewater MGD treated daily	33.6	34.0	34.2	34.5
<u>EFFICIENCY MEASURES</u>				
• Maint. personnel per 100 miles of sewer line	2.16	2.20	2.40	2.50
• Maint. personnel per 100 miles of water line	1.90	2.00	2.00	2.10
• Water system capacity (% daily production compared to safe yield)	85%	78%	78%	78%
• % of wastewater system capacity utilized	60.0%	60.7%	61.0%	61.6%
• Ratio of water gallons sold to gallons pumped	89%	92%	92%	92%
<u>EFFECTIVENESS MEASURES</u>				
• Percent of customers rating service received as "good" or "excellent"	N/A	92%	92%	92%
• Percent of weeks compliant with NPDES permit	95%	95%	95%	98%
• Percent of customer service telephone calls answered to industry norms	90%	92%	92%	92%

BUDGET SUMMARY

	2002-03 Actual	2003-04 Budget	2004-05 Recommended	2005-06 Projected
Expenditures:				
Personnel Costs	13,644,444	14,785,196	16,029,386	17,030,444
Maintenance & Operations	36,798,911	40,997,364	44,300,771	49,537,306
Capital Outlay	753,150	1,255,110	1,968,750	815,100
Total	51,196,505	57,037,670	62,298,907	67,382,850
Total FTE Positions	301.75	303.25	318.00	318.00
Revenues:				
Water and Sewer Services	43,776,001	49,800,000	55,288,250	61,988,250
Assessments	189,497	160,000	200,000	200,000
Capacity Use Fees	2,353,950	2,500,000	2,500,000	2,600,000
Industrial Waste Control	563,428	600,000	525,000	550,000
Water Line Connections	392,805	500,000	550,000	550,000
All Other	2,208,145	1,612,800	1,472,600	1,492,600
Appropriated Fund Balance	5,518,715	1,864,870	1,763,057	2,000
Total	55,002,541	57,037,670	62,298,907	67,382,850

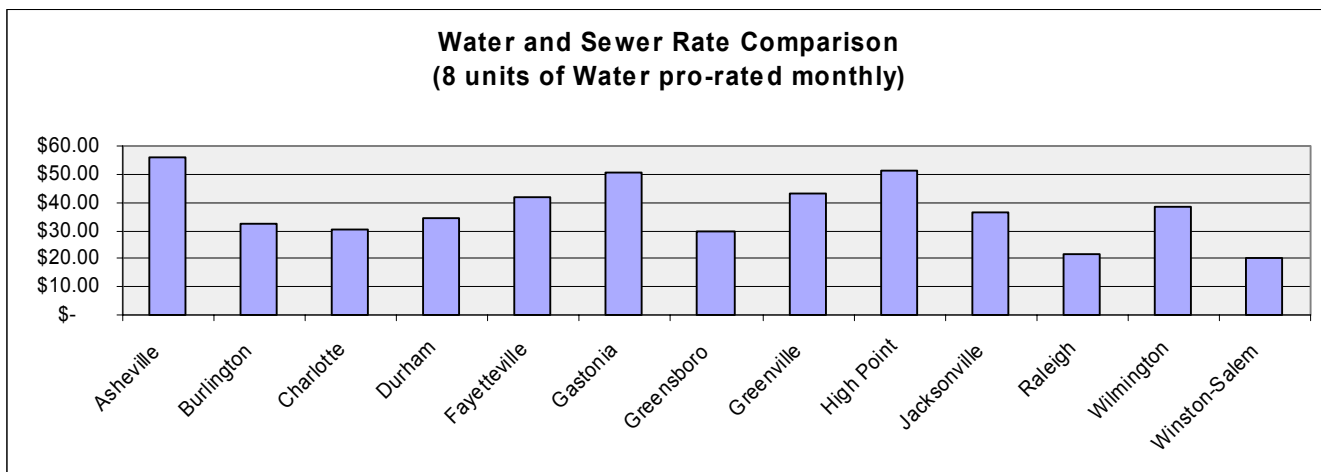
BUDGET HIGHLIGHTS

FY 04-05

- Overall budget increase of \$5.26 million (or 9.2%) as compared to FY 03-04.
- FY 04-05 budget reflects a \$1.54 million increase in debt service payments associated with Water and Sewer Bond Retirement. Total debt service is nearly \$14.7 million.
- Budget includes an increase of over \$640,000 in transfer to Water & Sewer Capital Improvement Fund. This transfer totals \$4,491,014 for FY 04-05.
- Indirect cost charges of \$2,300,000 are being assessed to the Fund to continue to more fully reflect the true cost of operations for Water Resources. Charges for Engineering Services will increase by \$750,000 in FY 04-05.
- Budget reflects a 15% rate increase beginning January 2005 to help offset debt service expenses associated with a variety of capital improvements, the continuing costs of purchased water, and the continuing costs of meeting environmental regulations.
- Fund balance in the amount of \$1,763,057 is budgeted for FY 04-05.
- FY 04-05 budget includes approximately \$680,000 to fund 13.75 new positions and related equipment for Water Resources. These positions include: a Database Applications Specialist; a part-time Dispatcher; an Electrician; a GIS Technician Specialist; 5 Laborer positions; a Lift Station Crew (2 positions); an Operation Engineer; a Water Field Representative; and a Water Relief Operator. Two additional vehicles are also included in this amount.

FY 05-06

- Overall budget increase of \$5.08 million (or 8.16%) as compared to FY 04-05.
- FY 05-06 budget reflects a \$2.35 million increase in debt service payments associated with Water and Sewer Bond Retirement.
- The transfer to Water & Sewer Capital Improvement Fund is \$6,381,891 in FY 05-06; a \$1.89 million increase.
- Continuation of indirect cost charges of \$2,300,000 will be assessed to the Fund to more fully reflect the true cost of operation for Water Resources. The charges for Engineering Services will remain the same.
- Budget reflects a 15% rate increase beginning January 2006 to help offset debt service expenses associated with a variety of capital improvements, the continuing costs of purchased water, and the continuing costs of meeting environmental regulations.
- Only \$2,000 of fund balance is budgeted in FY 05-06.
- No new positions have been requested for FY 05-06.



Rates as of 01/2004
(1 Unit = 748 gallons)

